

§ 9 Tax allowance in the Case of Mixed Income

§ 9¹ Tax allowance in the Case of Mixed Income. Income for which a foreign corporation is an intermediate company, shall be disregarded for purposes of § 7, subsec. (1) if the underlying gross receipts do not exceed ten percent of the total gross receipts of said corporation provided that the total amount of income to be thus disregarded with respect to any company or taxpayer does not exceed a total of 62,000 Euro.

¹ §9, amended by law of 12-29-2000 (Federal Law Gazette I p. 1790); for first application see §21, subsec.10, sentence 2 and amended by "UntStFG" (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858); for first application see §21, subsec. 7, sentence 4.

§ 10 Additions

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- (1) Income taxable under § 7 subsec. (1) shall be added to the taxable income of the party with unlimited tax liability, reduced by the taxes on income and property imposed on the foreign corporation with regard to such income and with regard to the property underlying such income (additions). To the extent that taxes which may be deducted have not yet been paid by the time the income is deemed to have been received pursuant to subsec. (2), they may only be deducted from the taxable amounts of income under § 7, subsec.(1) in the years in which they were actually paid. In the case of a negative amount, no addition shall be made.
- (2) ¹ Additions qualify as income as defined in § 20, subsec. (1), No. 1 of the Income Tax Act and are deemed to have been received immediately following the close of the controlling fiscal year of the foreign corporation. If shares in a foreign corporation are part of domestic business assets, then the additions to income from business activities, agricultural and forestry or from self-employment, then such income shall increase the profits of the business enterprise computed in accordance with the provision of the Income Tax Act or Corporation Income Tax Act, respectively, of the fiscal year ending after the close of the controlling fiscal year of the foreign corporation. § 3, No. 40, sentence 1, letter d of the Income Tax Act and § 8b, subsec. 1 of the Corporation Income Tax Act shall not be applicable to the additions.
- (3) ² The income underlying the additions shall be determined by applying the rules of German tax law correspondingly. For purposes of determining the income from participations in domestic separate assets within the meaning of § 6 Investment Company Act or in comparable

assets governed by a foreign law which may also comprise assets other than those permissible under the Investment Company Act, the tax provisions in the Investment Company Act and in the Foreign Investment Act shall apply correspondingly³. A profit determination in accordance with the principles of § 4, subsec. (3) Income Tax Act shall be equal to a profit determination pursuant to § 4, subsec. (1) or § 5 Income Tax Act. A profit determination in accordance with the principles of § 4 (3) Income Tax Act shall be equal to a profit determination pursuant to § 4 (1) or § 5 Income Tax Act. In the event that several taxpayers are involved, the choice between the different methods of determining the company's income must be exercised uniformly. Tax privileges attributed to an unlimited tax liability or the existence of a domestic permanent establishment or business, as well as the provisions of §8b, subsecs. (1) and (2) of the Corporation Income Tax act as well as the Developing Country Tax Act as promulgated on 21 May 1979, (Federal Law Gazette I p. 564) as amended by Article 34 of the law of 22 December 1981 (Federal Law Gazette I p. 1523) shall be disregarded. Losses incurred in connection with income for which the foreign corporation is an intermediate company may be deducted by applying § 10 d Income Tax Act correspondingly to the extent that such losses exceed the income to be disregarded by virtue of § 9. The loss within the meaning of the foregoing Sentence 5 4 shall be increased by the negative amount resulting from the tax deduction under subsec (1).

- (4) In determining the income for which the foreign corporation is an intermediate company only those business expenses are allowed which are economically related to such income.
- (5) There shall be applied to the additions those provisions of Double Taxation Convention which would apply if the additions had been distributed to the taxpayer.
- (6) *§ [for the tax year after 12-31-2001]* Subsec (5) shall not apply to the extent that the additions contain intermediate income with capital investment character and if the gross receipts underlying such intermediate income amount to more than 10 percent of the gross receipts of the foreign intermediate company underlying its entire intermediate income or if the amounts thus to be disregarded on the level of an intermediate company or of a taxpayer exceed a total of 62,000 Euro. In computing gross receipts, the amounts, which relate to items of income falling under § 13, subsec. (1) shall be disregarded. Intermediate income with capital investment character shall mean income of the foreign intermediate company derived from the possession, administration, preservation of the value of, or the increase

in the value of, legal tender, receivables, stocks and bonds, shares or similar assets, unless the taxpayer can prove that such income

1. is derived from an activity serving an activity of its own of the foreign corporation falling under §8, subsec. (1) Nos. 1 through 6 but not including activities within the meaning of §1, subsec. (1) No. 6 Banking Act,
 2. is derived from companies of which the foreign intermediate company holds a participation of at least one tenth, provided the taxpayer can demonstrate that that income in the country of the corporate management of the registered seat of the corporation will be subject to income tax of at least 25 percent.
 3. If the taxpayer can prove that the additions include intermediate income with capital investment character resulting from the financing of foreign permanent establishments or foreign companies which derive their gross receipts – in the fiscal year for which the foreign intermediate company derived this intermediate income – exclusively or almost exclusively from activities falling under § 8, subsec. (1) Nos. 1 through 6 hereof or from participations falling under § 8, subsec. (2) hereof and belonging to the same group as the foreign intermediate company, then the 1st sentence above shall only apply to that portion of the additions which originate from 80 percent of such underlying intermediate income.
- (6) ***6 [for the tax year after 12-31-2000]*** Subsec (5) shall not apply to the extent that the additions contain intermediate income with capital investment character and if the gross receipts underlying such intermediate income amount to more than 10 percent of the gross receipts of the foreign intermediate company underlying its entire intermediate income or if the amounts thus to be disregarded on the level of an intermediate company or of a taxpayer exceed a total of 120,000 DM. Intermediate income with capital investment character shall mean income of the foreign intermediate company derived from the possession, administration, preservation of the value of, or the increase in the value of, legal tender, receivables, stocks and bonds, shares (with the exception of the income specified in § 8, subsecs. 1, Nos. 8 and 9) or similar assets, unless the taxpayer can prove that such income is derived from an activity serving an activity of its own of the foreign corporation falling under §8, subsec. (1) Nos. 1 through 6 but not including activities within the meaning of § 1, subsec. (1) No.6 Banking Act in the version of the promulgation of September 9, 1998 (Federal Law Gazette I p. 2776), as amended by Article 29 of the Act of July 13, 2001 (Federal Law Gazette I p. 1542) in their effective versions.
- (7) ***[for the tax year after 12-31-2000]*** If the taxpayer can prove that the additions include intermediate income with capital investment character resulting from the

financing of foreign permanent establishments or foreign companies which derive their gross receipts – in the fiscal year for which the foreign intermediate company derived this intermediate income – exclusively or almost exclusively from activities falling under § 8, subsec. (1) Nos. 1 through 6 hereof or from income falling under § 8, subsec. 1, No. 8 and 9 hereof and belonging to the same group as the foreign intermediate company, then Section 6, Sentence 1 shall only apply to that portion of the additions which originate from 60 percent of such underlying intermediate income.

1. §10, subsec. 2, amended by “UntStFG” (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858); for first application see §21, subsec. 7, sentence 4.
2. §10, subsec. 3, amended by law of 09-13-1993 (Federal Law Gazette I p. 1569); Sentence 4 amended by “UntStFG” (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858); for first application see §21, subsec. 7, sentence 4.
3. §10, subsec. 3, sentence 1, second half-sentence supplemented by Act of 12-21-1993 (Federal Law Gazette I p. 2310); for first application see §21, subsec. 9, sentence 2.
4. For first application see §21, subsec. 9, sentence 1.
5. §10, subsec. 6 supplemented by Act of 02-25-1992 (Federal Law Gazette I p. 297) and amended by Act of 12-21-1993 (Federal Law Gazette I p. 2310); for first application see §21, subsec. 7, sentence 1. Subsec. 6, sentence 2 and 3 amended by Act of 10-23-2000 (Federal Law Gazette I p. 1433); Subsec. 6, sentence 1 amended by Act of 12-19-2000 (Federal Law Gazette I p. 1790); for first application see §21, subsec. 10, sentence 2.
6. §10, subsec. 6, amended by subsec. 7 supplemented by “UntStFG” (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858); for first application see §21, subsec. 7, sentence 4.

§11 Profit Distributions [as enacted in the Act of 12-21-1993:] 1

§ 11 Profit Distributions [as enacted in the Act of 12-21-1993:] 1

- (1) The additions shall be reduced by the amounts of profit distributions which the party with unlimited tax liability receives from the foreign corporation in the calendar year or fiscal year in which the additions would be added to his (its) income pursuant to § 10, subsec.(2).
- (2) To the extent that the profit distributions exceed the additions, the taxpayer shall receive a refund equal to the income tax or corporation income tax, respectively, and the trade tax, paid and not yet refunded in the preceding four calendar years or fiscal years for additions up to the amount of such excess.
- (3) If the party with unlimited tax liability sells his shares in the foreign corporation, subsec. (2) shall apply with the proviso that the amounts to be refunded may not exceed the income tax or corporation income tax, respectively, or the trade tax payable on the gain realized by such sale.
- (4) The portion of the additions to which § 10, subsec. (5) is inapplicable by virtue of § 10, subsec. (6) may not be reduced by profit distributions under subsec. (1). The profit distributions are tax exempt to the extent that they do not exceed the intermediate income with capital investment character within the meaning of § 10, subsec. (6),

sentence 2 and 3 underlying the amount of the additions referred to in Sentence 1. If there are other items of intermediate income, then no tax reduction or refund can be obtained under subsecs. (1) through (3) in respect of the profit distributions exempted under sentence 2.

1. For the application of this version see §21, subsec. 7, sentence 4.

§ 11 ₁ Sales Profits

§ 11 ₁ Sales Profits. (1) Profits realized by foreign corporations from the sale of shares to another foreign corporation as well as from the dissolution of the corporation or reduction of its capital and which is the intermediate company for the foreign corporation, shall be excluded from additions provided the income from the other corporation or from a subsidiary of same by virtue of activities within the meaning of § 10, subsec. 6, sentence 2 for the same calendar or fiscal year or for the previous seven calendar or fiscal years was subject to additions (§ 10, subsec. 2) of income or corporate income tax, that no distributions were carried out based on this income and that the taxpayer is able to prove this.

(2) *(repealed)*

(3) *(repealed)*

1. § 11, subsec. 1 amended., Subsec. 2 and 3 repealed by "UntStFG" (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858); for first application see §21, subsec. 7, sentence 4.

§ 12 Tax Credit

§ 12 Tax Credit. (1)₁The income tax or the corporation income tax, respectively, imposed on the additions shall, upon request of the taxpayer, be credited against the taxes which are deductible pursuant to § 10, subsec. (1). In this event the additions shall be increased by the amount of the taxes so credited.

(2) ²When crediting the tax, the provisions of § 34 c, subsec. (1) Income Tax Act and § 26, subsecs. (1) and (6) Corporation Income Tax Act shall be applied correspondingly.

(3) ³Taxes imposed on tax-exempt profit distributions pursuant to § 3 No. 41 of the Income Tax Laws may, at the request of the taxpayer, be credited or deducted respectively in the assessment period in which the underlying intermediate income accrued with the corresponding application of §34c Subsecs. 1 and 2 of the Income Tax Laws. This shall also apply if the tax assessment for the assessment period concerned had become final.

1. §12, subsec. 1, amended by Act of 10-23-2000 (Federal Law Gazette I p. 1433); Subsec. 1, sentence 1. as amended by "UntStFG" (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858); for first application see §21, subsec. 7, sentence 4.

2. §12, subsec. 2, amended by Act of 09-06-1976 (Federal Law Gazette I p. 2641) of 02-25-1992 (Federal Law Gazette I p. 297) and of 10-23-2000 (Federal Law Gazette I p. 1433); for first application see §21, subsec. 7, sentence 4.

3. §12, subsec. 3 supplemented by "UntStFG" (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858); for first application see §21, subsec. 7, sentence 5.

§ 13 ¹

§ 13 ¹ (repealed)

§ 14 ¹ Second-Tier Intermediate Companies

§14 ¹ Second-Tier Intermediate Companies. (1) In the event a foreign corporation holds, either alone or jointly with residents, a participation in another foreign corporation (subsidiary) within the meaning of § 7, then for purposes of applying §§ 7 through 12, the income of the subsidiary subject to a lower taxation shall be attributed to the income of the foreign corporation which corresponds to its participation in the capital of the subsidiary unless it can be shown that this income resulted from activities or assets which fall under §8 , subsec (1), No. 1 to 7 or income within the meaning of § 8, subsec. (1) , No. 8 and 9 or that this income is derived from activities which serve one of the activities of the foreign corporation which fall under § 8, subsec. (1), No. 1 through 6.

(2) *(repealed)*

(3) Subsec. (1) shall apply correspondingly, if the subsidiary owns other foreign subsidiaries which, in turn own other foreign corporations.

(4) To the extent that additions include intermediate company income which has been attributed to a foreign corporation (parent company) in accordance with subsections (1) through (3), the provisions contained in Double Taxation Conventions can only be applied as set out in § 10, subsec. (5) if they would have been applicable had the taxpayer directly owned an interest in the subsidiary where the said income was earned; § 10, subsec. (6) and (7) shall apply correspondingly.

1. §14, subsecs. 1.3 and 4 amended; subsec. 2 repealed by "UntStFG" (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858); for first application see §21, subsec. 7, sentence 4.

§15 Tax Imposed On Founders, Beneficiaries and Remaindermen

§ 15 Tax Imposed On Founder, Beneficiaries and Remaindermen. (1) The property and the income of a family foundation with its principal place of management and its seat outside of the geographical area to which this law applies shall be attributed to the founder if he is subject to unlimited taxability, otherwise to the beneficiaries or remaindermen being subject to unlimited tax liability in proportion to their respective interests. This shall not apply to the inheritance tax.

(2) Family foundations are foundations where the founder, his relatives and their respective descendants are beneficiaries or remaindermen in excess of one half.

(3) If a foundation has been established by an entrepreneur within his business undertakings or in his capacity as a partner of a partnership, or by a corporation, an association or by a conglomeration of assets and if the principal place of management and the seat of the foundation are located outside of the geographical area to this law applies, then the foundation shall be treated as if it were a family foundation if the founder, his partners, companies controlled by the founder or his associates, Board Members, officers and relatives of these persons are beneficiaries or remaindermen in excess of one half.

(4) There shall be treated like foundations other accumulations of assets serving a joint purpose, estates with legal personality, as well as associations of persons with or without legal personality.

(5) §§ 5 and 12 shall apply correspondingly. Apart from this and to the extent that subsec. (1) is applicable, the provisions of Part Four of this Act shall not apply.

§ 16 i Taxpayer's Duty to Cooperate

§16 i Taxpayer's Duty to Cooperate. (1) If a taxpayer claims deductions of debts or of other burdens or of business expenses with reference to a business relationship with a foreign corporation or a person or partnership residing abroad the income of which in connection with such business relationships is not or not substantially taxed, then the creditor or recipient of the amounts in question is considered to be precisely identified within the meaning of § 160 General Tax Code only if the taxpayer discloses all direct and indirect relationships which exist or which have existed between himself and the corporation, person or partnership.

(2) Upon the request of the tax office the taxpayer must submit an affidavit pursuant to § 95 of General Tax Code concerning the accuracy and the completeness of his statement and concerning his allegation that he is unaware of relevant facts.

1. §16, subsec. 2 amended by Act of 12-14-1976 (Federal Law Gazette I p. 3341)

§17 i Disclosure

§ 17 i Disclosure. (1) For purposes of applying §§ 5 and 7 through 15, taxpayers shall themselves and in cooperation with others submit the information necessary with respect thereto. Upon demand there shall in particular

1. be disclosed the business relationship which exists between the corporation and a taxpayer subject to unlimited tax liability so participating or a person related with such taxpayer within the meaning of § 1, subsec. (2).

2. be submitted for inspection the documentation relevant for the application of §§ 7 through 14, including balance sheets and profit and loss statements. Upon demand, these documents must be submitted with an attached audit certificate as required by law or as otherwise usual in the country of the principal place of business or of the corporate seat and issued by a government recognized auditing agency or other such institution.

(2) If the determination of income for which the foreign corporation is an intermediate company requires an estimation pursuant to § 162 General tax Code, then in the absence of other suitable criteria, the estimation shall use the criterion of an income equal to at least 20 percent of the fair market value of the shares held by the taxpayer being subject to unlimited tax liability. Interest payments and payments made by the corporation to taxpayers subject to unlimited tax liability for the right to use property made available to the corporation shall be deducted.

1. §17, subsec. 2 amended by Act of 12-14-1976 (Federal Law Gazette I p. 3341)

§ 18 I Separate Determination of Tax Bases

§ 18 I Separate Determination of Tax Bases.

(1) ² The bases of taxation relative to the application of §§ 7 through 14 and § 3 No. 41 of the Income Tax Act ³ shall be determined separately. If several parties with unlimited tax liability hold participations in foreign corporations, then the separate determination shall be made uniformly with regard to all of them. At the same time, it shall be determined how the tax bases are to be allocated among the several participants. The provisions of the General Tax Code with the exception of § 180, subsec. (3) and of the Code of Tax Procedure concerning the separate determination of tax bases shall apply correspondingly.

(2) The separate determination shall be made by the tax office, which is locally competent for the assessment of the income derived by the residents from their participations. If the separate determination must be made uniformly with regard to several persons, then the tax office shall be competent which has the competency according to sentence (1) with regard to that taxpayer to whom the highest participation in the foreign corporation is attributable. If a competent tax office cannot be found by applying Sentence 1 and 2, then the tax office which first becomes engaged in the matter shall be competent.

(3) ⁴ Every person subject to unlimited or extended limited tax liability and holding a participation in the foreign corporation shall file a return for a separate determination. This obligation can be complied with by filing a joint return. The return shall be signed in person by the taxpayer or by the persons designated in § 34 General Tax Code.

1. For its first application see §21, subsec. 7, sentence 5.
2. §18, subsec. 1. sentence 3 amended by Act of 12-14-1976 (Federal Law Gazette I p. 3341)
3. §18, subsec.1 citation amended by "UntStFG" (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858); for first application see §21, subsec. 7, sentence 5.
4. §18, subsec.3 amended by Act of 12-14-1984 (Federal Law Gazette I p. 1493)

§ 19 1 Transitional Provisions Relating to the Dissolution of Intermediate Companies

§ 19 1 Transitional Provisions Relating to the Dissolution of Intermediate Companies.

(1) If a foreign corporation is dissolved within five years after the coming into force of this Act, then a party with unlimited tax liability holding a participation in the corporation within the meaning of § 7 and whose participation is part of his business assets at the time of the dissolution may include the property distributed to him, except for money, bank accounts and accounts receivable, for the income of which the foreign corporation had been an intermediate company (preferred property) in his financial statements with values equal to his distributive share of the book value of his participation at the time of the dissolution, rather than with the fair market value of such property. The distributive share of the book value shall be that portion of the book value of the participation which corresponds to the proportion of the fair market value of the preferred property to the fair market value of the entire property distributed to the taxpayer. To the extent that sentence 1 is applicable, the individual fair market values of the individual assets shall be reduced by the same percentage which corresponds to the relation of the difference between the fair market value of the preferred property and the distributive share of the book value of the participation to the fair market value of the preferred property. §§ 7 through 14 shall not apply to a liquidation surplus resulting from a dissolution made in accordance with sentence 1 through 3 hereof.

(2) Subsec. (1) shall apply correspondingly if a foreign corporation makes a distribution of preferred property to a person with unlimited tax liability resulting from a reduction of its stated capital, provided that the other prerequisites of subsec. (1) are met.

1. § 19, subsec. 1 sentence 1 amended by Act of 12-14-1976 (Federal Law Gazette I p. 3341)

§ 20 1 Provisions Regarding the Application of Double Taxation Convention

§ 20 1 Provisions Regarding the Application of Double Taxation Conventions. (1) The provisions of § 7 through 18 and of subsec. (2) and (3) shall not be affected by Double Taxation Conventions.

(2) ² If intermediate income with capital investment character within the meaning of § 10 (6), 2nd sentence accrues in a foreign permanent establishment of a person with unlimited tax liability and if such income would be taxable as intermediate income if the permanent establishment were a foreign company, then and to the extent thereof, the double taxation shall be avoided by crediting the foreign tax imposed on such income, rather than by exempting the income. To the extent that the income is created by financing activities within the meaning of § 10, subsec. (7), sentence 1 shall only apply to 60 percent of this income.

(3) ³ (*repealed*)

1. §20, supplemented by Act of 02-25-1992 (Federal Law Gazette I p. 297); for application of subsec. (2), sentence 1 see §21, subsec. (7), sentence 1.
2. §20, subsec. 2, sentence 2, repealed by "UntStFG" (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858); for first application see §21, subsec. 7, sentence 4.
3. §20, subsec. (3), repealed effective 01-01-1997 by law of 12-20-1996 (Federal Law Gazette I p. 2049).

§ 21 I Application Provisions

§ 21 I Application provisions. (1) Except as otherwise provided herein below, the provisions of this Act shall be applied as follows:

1. ²with respect to the income tax and the corporation income tax beginning with the assessment period 1972,
2. with respect to the trade tax beginning with the collection period 1972,
3. ³ *(repealed)*
4. with respect to the inheritance tax and gift tax to transfers resulting in taxes becoming payable after the effective date of this Act

(2) §§ 2 through 5 shall apply irrespective of whether the unlimited taxability of the natural person ended prior to 1st January 1972.

(3) If the application of § 10 (3) requires that property be valued for the first time, then such property shall be valued in such a way as if the provisions of the German tax laws had been applied after the foreign corporation acquired such property.

(4) § 13 (2) No. 2 shall first be applied

1. with respect to the corporation income tax for the assessment period 1984,
2. with respect to the trade tax for the collection period 1984.

§ 1, subsec. (4), § 13, subsec. (1), sentence 1, No. 1, lit. b and sentence 2 in the version of Article 17 of the law of February 25 1992 (Federal Statutes I p. 297) shall first be applied:

1. with respect to the income tax and the corporation income tax to the assessment period 1992,
2. with respect to the trade tax to the collection period 1992.

(5) § 18 subsec. (3) shall also be applied to assessment periods and collection periods prior to 1985 if the tax returns were not yet filed.

- (6) When applying §§ 2 through 6 for the period following 31 December 1990, the “unlimited tax liability” as used in § 1, subsec. (1) of the income tax act of the German Democratic Republic of September 18, 1970 (special print No. 670 of the Statutes) 4 shall be equal to the term “unlimited tax liability” as used in § 1, subsec. (1) sentence 1, Income Tax Act. §§ 2 through 5 shall apply irrespective of whether the unlimited tax liability of the natural person had ended prior to January 1st, 1991.
- (7) 5 The provisions of § 7, subsec. 6, § 10 subsec. 6, § 11 subsec. 4 sentence 1, § 14 subsec. 4, sentence 5, and § 20, subsec. 2 in connection with § 10, subsec. 6 in the version of the Law of December 21, 1993 (Federal Law Gazette I p. 2310) shall first apply

1. with respect to the income tax and the corporation income tax for the assessment period,
2. with respect to the trade tax- except for § 20, subsec. 2 and 3 on which the portion of the addition on which the income with capital character pursuant to §10, subsec. 6, sentence 3 are based shall be disregarded for the collection period

for which intermediate income with capital investment character within the meaning of § 10, subsec. 6, sentence 2 and 3 which has accrued in a taxable year of the intermediate company or the permanent establishment beginning after 31 December 1993 shall be added to taxable income. § 6, subsec. 1 in the version of Article 5 of the Law of December 20, 2001 (Federal Law Gazette I p. 3858) is to be applied for the first time when at the time of the termination of the unlimited tax liability, §3, No. 40, lit. c of the Income Tax Act were to be applied at the time of sales within the meaning of § 17 of the Income Tax Act. § 7 subsec. 6 as enacted in Article 5 of the law of December 20, 2001 (Federal Law Gazette I p. 3858) shall first apply

1. with respect to the income tax and the corporation income tax for the assessment period,
2. with respect to the trade tax

for which intermediate income shall be added which was originated in a fiscal year of the intermediate company beginning after August 15, 2001. §12, subsec. (2) in the version of Article 12 of the Law of October 23, 2000 (Federal Law Gazette I p. 1433) as well as §7, subsec. 7, §8, subsec. 1, No. 8 and 9 and subsec. (3), §9, §10, subsecs. (2),(3), (6), (7), §11, §12, subsec. (1), §14 and §20, subsec. (2) in the version of Article 5 of the Law of December 2001 (Federal Law Gazette I p. 3858) shall first apply

1. with respect to the income tax and the corporation income tax for the assessment period,

2. with respect to the trade tax

for which intermediate income shall be added which was originated in a fiscal year of the intermediate company beginning after December 31, 2000. §12, subsec. (3), §18, subsec.(1) in the version of Article 5 of the Law of December 20, 2001 (Federal Law Gazette I p. 3858) shall be first applied when §3 No. 41 of the income tax laws applicable to profit distributions in the version of Article 1 of the Law of December 20, 2001 (Federal Law Gazette I, p. 3858) is applicable. §6, subsec. 2 in the version of Article 6 of the Law of September 6, 1976 (Federal Law Gazette I p. 2641), § 13 in the version of Article 17 of the law of February 25, 1992 (Federal Law Gazette I p. 297) shall last apply

1. with respect to the income tax and the corporation income tax for the assessment period,

2. with respect to the trade tax

for which intermediate income shall be added which was originated in a fiscal year for the intermediate company beginning prior to January 1, 2001. §11 as enacted in Article 12 of the law of December 21, 1993 (Federal Law Gazette I p. 2310) shall not apply to profit distributions of the intermediate company or on profits from the sale of shares in the intermediate company if §8b subsec. (1) or (2) of the corporate income tax law in the version of Article 3 of the law of October 23, 2000 (Federal Law Gazette I pg. 1433) or §3 No. 41 of the Income Tax law as enacted in Article 1 of the Law of December 20, 2001 (Federal Law Gazette I p. 3858) applies.

(8) § 6, subsec. (3), No. 4 as enacted by this law shall first be applied to contributions made after 31 December 1991.

(9) § 8 subsec. (1), No. 7 and § 10, subsec. (3), sentence 6 as enacted by Article 7 of the law of 13 September 1993 (Federal Law Gazette I p. 1569) shall be first applied

a. with respect to the income tax and the corporation income tax to the assessment period,

b. with respect to the trade tax to the collection period

to which intermediate income shall be added which accrued within a fiscal year of the intermediate company beginning after 31 December 1991. § 10, subsec. (3), sentence 1 as enacted by this law shall first be applied

1. with respect to the income tax and the corporation income tax to the assessment period,

2. with respect to the trade tax to the collection period

to which intermediate income shall be added which accrued within a fiscal year of the intermediate company beginning after 31 December 1993.

10. 6 §2, subsec. (1), sentence 2, subsec. (2), No. 1 and subsec. (3), No. 2 and 3 as enacted in Article 9 of the Law of December 19, 2000 (Federal Law Gazette I, p. 1790) shall be first applied for the assessment period 2002. §7, subsec. (6), sentence 2, §9 and §10, subsec. (6), sentence 1 as enacted in Article 9 of the Law of December 19, 2000 (Federal Law Gazette I, p. 1790) shall first be applied

1. with respect to the income tax and the corporation income tax to the assessment period,

2. with respect to the trade tax to the collection period

to which intermediate income shall be added which accrued within a fiscal year of the intermediate company beginning after December 31, 2001.

1. Former §21 (Berlin Clause) repealed., former §20 will become §21 and heading amended by law of 02-25-1992 (Federal Law Gazette I p. 297), subsec. (1) and subsec. (4) amended by law of 09-13-1993 (Federal Law Gazette I p. 1569), subsec. (5) supplemented by law of 12-14-1984 (Federal Law Gazette I p. 1493), subsec. (6) supplemented by Unification Convention of 08-31-1990 (Federal Law Gazette II p. 889, 978), subsec. (7) and (8) supplemented by law of 02-25-1992 (Federal Law Gazette I p. 297), subsec.(7), amended and subsec.(9) supplemented by law of 09-13-1993 (Federal Law Gazette I p. 1569), subsec.(7), sentence 2 replaced by sentences 2 through 4, subsecs.(8) and (9) amended by law of 12-21-1993 (Federal Law Gazette I p. 2310).
2. See resol. of the Federal Constitutional Court – 2BvI 2/83 of 05-14-1986 (Federal Law Gazette I p. 1030, “BStBl” II p. 628).
3. §21, subsec. (1), no. 3 repealed effective 01-01-1997 by law of 12-20-1996 (Federal Law Gazette p. 2049).
4. Gazette of the German Democratic Republic
5. § 21, subsec. (7), amended by “UntStFG” (Corporate Tax Law) of 12-20-2001 (Federal Law Gazette I p. 3858)
6. §21, subsec. (10), supplemented by law of 12-19-2000 (Federal Law Gazette I p. 1790).

§ 22 1 Effective Date

§ 22 1 Effective Date. This Act shall take effect on the day following its promulgation².

1. §22 concerns the commencement of the law in its original version. The commencement of the later amendments can be seen in later amended laws.
2. Promulgated on 09-12-1972